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E.O. 12958: N/A
TAGS: [PARM](#) [ENRG](#) [KNNP](#) [TRGY](#) [IAEA](#)
SUBJECT: NUCLEAR FUEL BANK: SWISS FAVOR COMMERCIAL SUPPLY
ARRANGEMENTS

REF: STATE 57093

¶1. (SBU) Poloff delivered reftel message June 4 to Jean-Daniel Praz, Deputy Director of the Arms Control and Disarmament Section of the Federal Department of Foreign Affairs (FDFA), and the FDFA's point-of-contact for IAEA issues. Praz said that, while not opposed in principle to the idea of a nuclear fuel bank, the GoS thinks that current commercial supply is adequate. He remarked that, if anything, Switzerland probably would prefer to promote growth and diversification in the commercial market in the future, perhaps more along the lines of the German proposal. In that context, Praz speculated that the GoS might at some point be interested in participating in a consortium arrangement with a country such as Germany or Belgium.

¶2. (SBU) COMMENT: Whether the subject is nuclear fuel banks or the Global Nuclear Energy Partnership (GNEP), the GoS has been reticent fully to engage or support new initiatives, apparently out of a concern that Swiss industry eventually will find itself at a disadvantage on the margins of a nuclear "cartel" driven by countries possessing full-cycle nuclear programs. Such Swiss concerns would seem to provide the GoS all the more reason to engage itself in these initiatives to have substantial influence over the outcomes. However, another constraint on Swiss engagement in multilateral nuclear cooperation is the Swiss public's generally dim view of nuclear energy, which represents a potential political liability to efforts that might be viewed as championing nuclear energy. Against this backdrop, the Swiss tend to be more receptive to arguments that revolve around the positive effects such initiatives can have in the realm of nuclear nonproliferation.
CARTER